



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

May 20, 2008

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**DEPARTMENT OF HEALTH SERVICES:
APPROVAL OF AMENDMENT NO. 5 TO AGREEMENT NO. H-206370 WITH
ELECTRONIC DATA SYSTEMS CORPORATION
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

To request Board approval of an extension amendment of a financial data management services agreement with Electronic Data Systems Corporation, effective July 1, 2008 through June 30, 2010, for the provision of Medi-Cal claims processing services.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and instruct the Director of Health Services, or his designee, to sign Amendment No. 5 for Automated Remittance Advice and Explanation of Benefits Data Services Agreement No. H-206370 with Electronic Data Systems (EDS) Corporation, for the continued provision of financial data management services for Medi-Cal claims processing to all of the Department of Health Services' (DHS or Department) health facilities, at the same rates, at a maximum obligation cost of \$96,000, effective July 1, 2008 through June 30, 2010.
2. Delegate authority to the Director of Health Services, or his designee, to execute a new agreement with the vendor selected by the State as a result of a competitive solicitation to perform fiscal intermediary services for processing claims from State Medi-Cal providers, for a term that coincides with the State agreement, following review and approval by County Counsel and notification to the Board.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

3. Delegate authority to the Director of Health Services, or his designee, to terminate the EDS Agreement early if the State competitive solicitation is completed prior to June 30, 2010, or extend the term of the EDS Agreement up to six months through December 31, 2010, if the State solicitation is not completed by June 30, 2010.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In approving these actions, the Board is instructing the Director of Health Services, or his designee, to sign Amendment No. 5, substantially similar to Exhibit I, with EDS Corporation for the continued provision of financial data management services for processing Medi-Cal claims. The current agreement will expire on June 30, 2008. The continued provision of these services is essential and integral to the DHS revenue generation efforts and financial operations.

EDS has an exclusive agreement with the State of California to act as its fiscal intermediary for processing claims from State Medi-Cal providers, including Los Angeles County. The County has had long-standing agreements with EDS under which the firm provides critical Medi-Cal Remittance Advice, Explanation of Benefits, and Data services for County health facilities.

The State is in the process of developing a competitive solicitation for these services. Following completion of the solicitation, the State will enter into a new agreement with an expected term of five years. However, when the Statewide solicitation will be completed cannot be predicted with certainty. Accordingly, the Department is requesting delegated authority to either terminate the current Agreement with EDS prior to June 30, 2010, if the State has completed its solicitation before that date so that the County can enter into a new Agreement with the vendor selected, or extend the current Agreement up to December 31, 2010, if the State has not completed its solicitation by June 30, 2010. Since the Department must use the State-designated Medi-Cal fiscal intermediary, delegated authority to enter into a new agreement will expedite DHS' revenue generation efforts.

FISCAL IMPACT/FINANCING

The rates are unchanged and the Department will continue to reimburse EDS for each adjudicated line of claims at a fee of \$0.06, and \$0.04 for multiple provider claims.

Honorable Board of Supervisors
May 20, 2008
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The cost for the 24-month term, July 1, 2008 through June 30, 2010, is \$96,000. Funding is included in Health Services Administration's Fiscal Year 2008-09 Proposed Budget and will continue to be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

In April 1988, the State of California approved an exclusive Agreement with EDS to act as the fiscal intermediary for processing claims from State Medi-Cal providers, including Los Angeles County.

Since that time, your Board has approved agreements and amendments with EDS, the State designated Medi-Cal fiscal intermediary. Most recently on December 6, 2005, your Board extended the Agreement through June 30, 2008. The Agreement is being recommended for extension through June 30, 2010, while the State completes its competitive solicitation.

Contract monitoring functions are performed by facility staff and the Revenue Services Division.

The Agreement may be terminated at any time by the County by giving at least 30 days prior written notice.

County Counsel has approved the attached Exhibit I as to form.

CONTRACTING PROCESS

The original State agreement with EDS was approved as a sole source agreement. DHS must use the State contracted fiscal intermediary for processing its Medi-Cal claims.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the amendment with EDS will continue the provision of these financial data management services for processing Medi-Cal claims at the current level.

Honorable Board of Supervisors
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CONCLUSION

When approved, the Department requires three signed copies of the Board's action.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'WTF' followed by a stylized flourish.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:SRH:SAS
MLM:LT:yb

Attachment

c: County Counsel
Interim Director, Department of Health Services

052008_DMH_Electronic Data Systems

Contract No. H-206370-5

AUTOMATED REMITTANCE ADVICE AND EXPLANATION OF
BENEFITS AND DATA SERVICES AGREEMENT

AMENDMENT NO. 5

THIS AMENDMENT is made and entered into this _____
day of _____, 2008,

by and between COUNTY OF LOS ANGELES (hereafter
"County"),

and ELECTRONIC DATA SYSTEMS
CORPORATION
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled
"AUTOMATED REMITTANCE ADVICE AND EXPLANATION OF BENEFITS AND DATA
SERVICES AGREEMENT", dated July 2, 1996, and further identified
as County Agreement No. H-206370, and any amendments thereto
(hereafter "Agreement"); and

WHEREAS, it is the intent of the parties hereto to amend the
Agreement to extend its term and make the changes described
hereinafter; and

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective July 1, 2008.
2. Attachment B of Exhibit A-3, Statement of Work, of the
Agreement shall be replaced with Attachment B-1, attached
hereto and incorporated herein by reference.

3. Paragraph 4, TERM, of the Agreement shall be replaced as follows:

"4. TERM:

A. The term of this Agreement shall commence on July 2, 1996 (hereafter "Effective Date") and shall continue in full force and effect through December 31, 2010 ("Initial Term"), unless sooner terminated, in whole or in part, as provided in this Agreement.

B. During the Extended Term, Contractor shall be compensated, according to the same payment provisions and same rate(s), for automated remittance advice and explanation of benefits and data services, as specified in Exhibit A-3, Statement of Work and Exhibit B-1, Fees and Maximum Payments, of this Agreement.

C. During the Extended Term, this Agreement may be cancelled or terminated at any time by either party without cause upon the giving of at least thirty (30) days written notice to the other.

County may also suspend the performance of services hereunder in whole or in part, upon the giving of at least a thirty (30) day written notice to Contractor. County's notice shall set for the extent of the suspension and the requirements for full restoration of the performance obligations."

4. Paragraph 7, CONTRACT SUM, of the Agreement, shall be amended as follows:

"7. CONTRACT SUM:

A. The Contract Sum of all charges authorized by COUNTY under this Agreement shall be the total monetary amount payable by COUNTY to CONTRACTOR for supplying Medi-Cal RA/EOB services specified under this Agreement. All work completed by CONTRACTOR must be approved in writing by COUNTY. If COUNTY does not approve work in writing, no payment shall be due to CONTRACTOR for that work.

B. The maximum Contract Sum for this Agreement, including all applicable taxes, authorized by COUNTY hereunder shall not exceed:

<u>TERM</u>	<u>CONTRACT SUM</u>
7/2/96 - 6/30/98	\$96,000
7/1/98 - 12/31/00	\$96,000
1/1/01 - 6/30/03	\$96,000
7/1/03 - 12/31/05	\$96,000
1/1/06 - 6/30/08	\$96,000
7/1/08 - 12/30/10	\$96,000

C. The maximum Contract sum for each term of the Agreement inclusive of any and all fees, costs,

expenses and applicable taxes shall not exceed \$96,000."

5. Paragraph 9, PROHIBITION AGAINST ASSIGNMENT AND DELEGATION, of the Agreement shall be replaced as follows:

"9. PROHIBITION AGAINST ASSIGNMENT AND DELEGATION:

A. The Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the County to any approved delegatee or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which the Contractor may have against the County.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the

majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

C. If any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than the Contractor, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor."

6. Paragraph 19, NOTICES, of the Agreement shall be replaced as follows:

"19. NOTICES: Any and all notices required, permitted, or desired to be given hereunder by one party to the other shall be in writing and shall be delivered to the other party personally or by United States mail, certified or registered, postage prepaid, return receipt requested, to the parties at the following addresses and to the attention

of the person named.

Director shall have the authority to issue all notices which are required or permitted by County hereunder. Addresses and persons to be notified may be changed by the parties giving ten (10) days' prior written notices thereof to the parties.

A. Notices to County shall be addressed as follows:

(1) Department of Health Services
Contracts and Grants Division
313 North Figueroa Street, 6th Floor-E
Los Angeles, California 90012-2659
Attention: Director

(2) Department of Health Services
Revenue Management Division
313 North Figueroa Street, Rm 527
Los Angeles, California 90012
(213) 240-7885

B. Notices to Contractor shall be addressed as follows:

(3) Electronic Data Systems Corporation (EDS)
3215 Prospect Park Drive
Rancho Cordova, California 95670
Attention: Mike Hilder"

7. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its Director of Health Services, and Contractor has caused this Amendment to be subscribed on its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Bruce A. Chernof, M.D.
Director and Chief Medical Officer

ELECTRONIC DATA SYSTEMS CORPORATION
Contractor

By Den A Duen
Title Director
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF THE
COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By _____
Cara O'Neill, Chief
Contracts and Grants Division

AMEND:eh:4/7/08

EXHIBIT A-3

ATTACHMENT B-1

COUNTY OF LOS ANGELES- DEPARTMENT OF HEALTH SERVICES

MEDI-CAL ACTIVE ACCOUNTS WITH AND WITHOUT NPI NUMBERS				
DEPARTMENT	PROVIDER NUMBER	DHS NPI NUMBER	EDS SHOWING NOT REGISTERED	PUBLIC HEALTH NPI NUMBER
HOSPITALS				
LAC+USC MEDICAL CENTER				
LAC USC MEDICAL CENTER	BCP60373F	1770594913		
LAC USC MEDICAL CENTER	FHC60373F	1396756938		
LAC USC MEDICAL CENTER	HAP60373F	1528078573		
LAC/USC MEDICAL CENTER	HSC30373F	1447263108	N	
LAC/USC MEDICAL CENTER	HSC30373W	1285647933		
LAC+USC MED CTR	HST30373F	1376720599		
LAC+USC MED CTR	HSW30373F	1467634311		
LAC+USC MEDICAL CENTER	LAB43401F	1174536833		
LAC/USC MEDICAL CENTER	ZZT30373F	1790796944	N	
LAC/USC MEDICAL CENTER	ZZT30373W	1093728743		
LAC+USC MED CTR	ZZW30373F	1184815912		
LAC USC MEDICAL CENTER	ZZW60373F	1386655918		
HARBOR/UCLA MEDICAL CENTER				
HARBOR UCLA MEDICAL CTR	BCP40376F	1427071794		
HARBOR-UCLA MEDICAL CTR	FHC40376F	1427070168		
HARBOR UCLA MEDICAL CTR	HAP40376F	1376565309		
HARBOR UCLA MEDICAL CTR	HSC30376F	1104848845	N	
HARBOR UCLA MEDICAL CTR	HSC30376W	1497778401		
LOS ANGELES CO HARBOR UC	HST30376F	1013939750		
LOS ANGELES CO HARBOR UC	HSW30376F	1295757938		
HARBOR UCLA MEDICAL CTR	ZZT30376F	1811919558	N	
HARBOR UCLA MEDICAL CTR	ZZT30376W	1225051592		
HARBOR-UCLA MEDICAL CTR	ZZW30376F	1922020668		
HARBOR-UCLA MEDICAL CTR	ZZW40376F	1407878150		
MARTIN L. KING JR./MULTI-SERVICES AMBULATORY CARE CENTER (MACC)				
JR GENERAL HOSPITAL	BCP40578F	1508979329		
JR/DREW MEDICAL CTR	FHC40578F	1245343052		
ML KING JR/DREW FAM PLANNING	HAP40578F	1063525871		
JR/DREW MEDICAL CTR	HSC30578F	1336252147	N	
JR/DREW MEDICAL CTR	HSC30578W	1417060237		
JR/DREW MEDICAL CTR	HST30578F	1487746780	N	
JR/DREW MEDICAL CTR	HSW30578F	1467543991	N	
ML KING JR/DREW MEDICAL CENTER	LAB45394F	1972616787		
JR/DREW MEDICAL CTR	ZZT30578F	1962418392	N	
JR/DREW MEDICAL CTR	ZZT30578W	1326151143		
JR/DREW MEDICAL CTR	ZZW30578F	1760595581		
JR/DREW MEDICAL CTR	ZZW40578F	1871509208		
RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER				
NATIONAL REHAB CTR	FHC42014F	1639186539		
NATIONAL REHAB CTR	HSC32014F	1285642231	N	
NATIONAL REHAB CTR	HSC32014W	1275540171		
NATIONAL REHAB CTR	HST32014F	1497932610		
NATIONAL REHAB CTR	HSW32014F	1245417468		
NATIONAL REHAB CTR	ZZT32014F	1649287541	N	
NATIONAL REHAB CTR	ZZT32014W	1801803705		
NATIONAL REHAB CTR	ZZW32014F	1629269451		
NATIONAL REHAB CTR	ZZW42014F	1942487160		
OLIVE VIEW/UCLA MEDICAL CENTER				
LA CO OLIVE VIEW MED CTR	BCP40040G	1508889650		
LA CO OLIVE VIEW-UCLA	FHC40040G	1316969934		
LA CO OLIVE VIEW MED CTR	HAP40040G	1881617934		
LA CO OLIVE VIEW-UCLA	HSC30040G	1750305785	N	
LA CO OLIVE VIEW-UCLA	HSC30040W	1417970567		
LA CO OLIVE VIEW-UCLA	HSW30040G	1851307243		
OLIVE VIEW-UCLA MED CTR	LAB58588F	1699798744		
LA CO OLIVE VIEW-UCLA	ZZT30040G	1598787111	N	
LA CO OLIVE VIEW-UCLA	ZZT30040W	1326061474		
LA CO OLIVE VIEW-UCLA	ZZW30040G	1366450207		
LA CO OLIVE VIEW-UCLA	ZZW40040G	1407878028		
HIGH DESERT HEALTH SYSTEMS				
HIGH DESERT HOSP	FHC43004F	1194838912		
HIGH DESERT HLTH SYSTEMS	FHC70994F	1003929829		
HIGH DESERT HOSP	HSW33004F	1659558872		
HIGH DESERT HOSP	LTC06046F	1194902312		

EXHIBIT A-3

ATTACHMENT B-1

COUNTY OF LOS ANGELES- DEPARTMENT OF HEALTH SERVICES

HIGH DESERT HOSP	DEPARTMENT	ZZW33004F PROVIDER NUMBER	1578740791 DHS NPI NUMBER	EDS SHOWING NOT REGISTERED	PUBLIC HEALTH NPI NUMBER
HEALTH CENTERS AND COMPREHENSIVE HEALTH CENTERS					
NORTHEAST CLUSTER AREA:					
LA PUENTE SUBCENTER		FHC16100F	1770596439		
EL MONTE COMPREHENSIVE		FHC16124F	1972516631		
HUDSON COMPREHENSIVE HLT		FHC41124F	1144233800		
ROYBAL COMPREHENSIVE HLT		FHC41126F	1982617692		
DOLLARHIDE HEALTH CENTER		FHC70077F	1235247578		
EL MONTE COMPREHENSIVE		BCP16124F	1417960170		
HUDSON COMPREHENSIVE HLT		BCP41124F	1871506535		
ROYBAL COMPREHENSIVE HLT		BCP41126F	1700899465		
LA PUENTE SUBCENTER		HAP16100F	1689687345		
EL MONTE COMPREHENSIVE		HAP16124F	1881607547		
ROYBAL COMPREHENSIVE HLT		HAP41126F	1083627749		
ROYBAL COMPREHENSIVE HLT		ZZW41126F	1285811406		
EL MONTE COMPREHENSIVE		ZZW16124F	1417134644		
HUDSON COMPREHENSIVE HLT		ZZW41124F	1962689190		
CENTRAL HEALTH CENTER		ZZW16000F			1447444294
ANTELOPE VALLEY HLTH CTR		ZZW16082F			1437344884
CURTIS TUCKER HLTH CTR		ZZW16028F			1346435781
GLENDALE HEALTH CTR		ZZW16076F	1891708079		1245425693
HOLLYWOOD-WILSHIRE HLTH		ZZW16010F			1083808836
LA PUENTE SUBCENTER		ZZW16100F			
MONROVIA HEALTH CENTER		ZZW16102F			1659565406
PACOIMA SUBCENTER		ZZW16072F			1851585780
POMONA HEALTH CENTER		ZZW16108F			1649464496
WHITTIER HEALTH CENTER		ZZW16112F			1194919951
COASTAL AREA:					
BELLFLOWER HEALTH CENTER		FHC16016F	1518973940		
WILMINGTON SUBCENTER		FHC16026F	1508872912		
LONG BEACH COMPREHENSIVE		FHC00002F	1154335982		
LONG BEACH FAM PLANNING		HAP00001F	1063426898		
BELLFLOWER HEALTH CENTER		HAP16016F	1932115375		
WILMINGTON SUBCENTER		HAP16026F	1225044662		
TORRANCE HEALTH CENTER		ZZW16036F			1437344876
SOUTH HEALTH CENTER		ZZW16058F			1952595704
LONG BEACH COMPREHENSIVE		ZZW16126F	1811174030		
SOUTHWEST AREA:					
HUMPHREY COMPREHENSIVE		BCP11866F	1679686497		
HUMPHREY COMPREHENSIVE		FHC11866F	1982611919		
HUMPHREY COMPREHENSIVE		HAP11866F	1497761324		
HUMPHREY COMPREHENSIVE		ZZW11866F	1073790259		
SAN FERNANDO VALLEY AREA:					
NORTH HOLLYWOOD HLTH CTR		FHC16070F			1386838217
SAN FERNANDO HEALTH CTR		FHC16080F	1558379990		
MID VALLEY COMP HLTH CTR		FHC16088F	1467465641		
GLENDALE HEALTH CENTER		BCP16076F	1740397454		
SAN FERNANDO HEALTH CTR		BCP16080F	1588672042		
MID VALLEY COMP HLTH CTR		BCP16088F	1679581136		
GLENDALE HEALTH CENTER		HAP16076F	1992713499		
SAN FERNANDO HEALTH CTR		HAP16080F	1376556555		
MID VALLEY COMP HLTH CTR		HAP16088F	1265440010		
SAN FERNANDO HEALTH CTR		ZZW16080F	1902083124		
ANTELOPE VALLEY AREA:					
LAKE LA COMMUNITY CLINIC		FHC16012F	1821101643		
SOUTH VALLEY HEALTH CTR		FHC16040F	1649383464		
ANTELOPE VALLEY HLTH CTR		FHC16082F	1336152578		
LITTLEROCK COMMUNITY CLN		FHC70888F	1467565283		
ANTELOPE VALLEY HLTH CTR		HAP16082F	1497768782		
HSA PUBLIC HEALTH:					
HEALTH LABORATORY		LAB42423F	1740465582		
HSA PUBLIC HEALTH TO BE ADDED:					
BURKE/SIMMS/MANN HEALTH CENTER					1235323080
RUTH TEMPLE HEALTH CENTER					1487848248
MATERNAL, CHILD & ADOLESCENT HLTH PROG					1215110804

EXHIBIT A-3

ATTACHMENT B-1

COUNTY OF LOS ANGELES- DEPARTMENT OF HEALTH SERVICES

DEPARTMENT	PROVIDER NUMBER	DHS NPI NUMBER	EDS SHOWING NOT REGISTERED	PUBLIC HEALTH NPI NUMBER
JUVENILE COURT HEALTH SERVICES:				
PADRINOS JCHS INFIRMARY	FHC16004F	1598860876		
CENTRAL JUVENILE HALL	FHC16008F	1780789065		
DOROTHY KIRBY CENTER	FHC16038F	1407951783		
SAN FERNANDO JUVENILE HALL	FHC00003F	1285744003		